

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF MISSISSIPPI
OXFORD DIVISION**

**EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION**

PLAINTIFF

V.

NO: 3:21CV187-M-P_

**LABOR SOURCE, L.L.C. d/b/a WISE
STAFFING and WISE STAFFING GROUP**

DEFENDANTS

CONSENT DECREE

Plaintiff Equal Employment Opportunity Commission (EEOC or the Commission), an agency of the United States government, instituted this action against Defendant Labor Source, L.L.C. on August 23, 2021. The Commission is authorized by Congress to enforce federal laws prohibiting employment discrimination. Title VII of the Civil Rights Act of 1964 (Title VII), 42 U.S.C. 2000e-2, as amended by the Pregnancy Discrimination Act of 1978, 42 U.S.C. § 2000e(k), represents one of the laws enforced by the Commission. Among other things, Title VII prohibits employers from discriminating in employment and hiring based on sex and pregnancy.

In the Complaint filed, the Commission alleged Defendant Labor Source violated Title VII and the Pregnancy Discrimination Act by failing to hire Lafreeta Gaines Harwell because of her sex, female and pregnancy. Labor Source denies these allegations.

The Commission and Labor Source desire to avoid the costs, inconvenience and uncertainty of litigation, to resolve amicably the disputes and controversies between the parties and have determined that it is in their respective best interests to enter into this Decree.

The Commission and Labor Source (the Parties) engaged in good faith negotiations and now consent to entry of this Decree by this Court. The Parties stipulate the terms and conditions

of this Decree are fair and will serve the public interest in eradicating sex and pregnancy discrimination.

This Decree represents the final and complete agreement between the Parties regarding the resolution of this civil action. The Parties have made no representations or inducements to compromise this action other than those recited or referenced in this Decree. The Commission and Labor Source stipulate the terms and conditions of this Decree serve to promote and effectuate the purposes of Title VII and the Pregnancy Discrimination Act.

After examining the terms of this Decree, and based on the pleadings, record, and stipulations of the Parties, the Court hereby APPROVES the Decree and FINDS as follows:

JURISDICTION

The Court has jurisdiction over the Parties and the subject matter of this action.

SCOPE AND DURATION OF THIS DECREE

1. The duration of this Decree and all obligations shall remain effective two (2) years from the date of its entry by the Court.
2. During the term of this Decree, the Court shall retain jurisdiction over this case for purposes of compliance and any disputes that may arise.

ISSUES RESOLVED

3. This Decree resolves all issues and claims arising from Lafreeta Gaines Harwell's Charge of Discrimination, EEOC Charge No. 490-2019-02265, filed against Labor Source, L.L.C. d/b/a Wise Staffing.

INJUNCTIVE RELIEF

4. Labor Source, its officers, agents, successors and all persons acting on its behalf, are enjoined from refusing to hire women/applicants because of pregnancy.

ANTI-DISCRIMINATION TRAINING

5. Within one hundred fifty (150) business days of the entry of this Decree, and every year thereafter for the duration of this Decree, Labor Source shall provide two hours of discrimination training to all employees, including managers and human resources personnel on federal laws prohibiting discrimination in employment. The training shall cover Labor Source's obligations under federal anti-discrimination laws. This includes training on the subject of gender, sex, and pregnancy discrimination under Title VII and the Pregnancy Discrimination Act. Labor Source shall provide such training to all future employees hired or promoted into the same or similar positions within ninety (90) calendar days from the date of their hire or promotion.

6. Labor Source shall pay for all trainings and shall present live in-person or virtual training. During the training, Labor Source shall maintain a roster of the attendees, the trainer, and how long the training lasted. All hiring employees involving in hiring decisions shall complete a quiz containing no less than fifteen (15) multiple choice questions drafted by the trainer or person designated by Labor Source subject to the Commission's approval. This Consent Decree sets the pass rate at ninety percent (90%) or better for those employees involving in making hiring decisions. Labor Source shall require those employees, whose scores fall below 90%, to retake the quiz until the employee attains a passing score.

MONETARY RELIEF

7. Labor Source shall pay Lafreeta Gaines Harwell a total of \$40,000 in monetary relief. Labor Source shall issue a check for each payment to Ms. Harwell at the address provided by the Commission. Backpay damages in the amount of \$7,217.55 shall be subject to ordinary withholding. Labor Source shall not withhold taxes from the remaining non-pecuniary

compensatory damages totaling \$32,782.45. Labor Source shall pay the monetary amount over four months in the following manner:

a. Labor Source shall make the first payment of \$15,000 within seven days of the entry of this Decree by issuing a check in the name of Lafreeta Gaines Harwell. This payment represents a portion of non-pecuniary compensatory damages of which Labor Source shall not withhold taxes.

b. Labor Source shall make the second payment of \$10,000 within forty (40) days of the entry of this Decree by issuing a check in the name of Lafreeta Gaines Harwell. This payment represents a portion of non-pecuniary compensatory damages of which Labor Source shall not withhold taxes.

c. Labor Source shall make the third payment of \$7,782.45 within seventy (70) days of the entry of this Decree by issuing a check in the name of Lafreeta Gaines Harwell. This payment represents a portion of non-pecuniary compensatory damages of which Labor Source shall not withhold taxes.

d. Labor Source shall make the fourth payment of \$7,217.55 within (100) days of the entry of this Decree by issuing a check in the name of Lafreeta Gaines Harwell. This payment represents backpay damages, subject to ordinary withholding.

8. The total payments of \$40,000 to Ms. Harwell represents full and final settlement of the Commission's monetary claims against Labor Source in this case.

9. Labor Source will issue to Ms. Harwell an IRS Form W-2 for the 2021 tax year relating to the \$7,217.55 backpay damages payment made.

10. Labor Source will issue to Ms. Harwell an IRS Form 1099 for the 2021 tax year related to the \$32,782.45 non-pecuniary compensatory damages.

11. When Labor Source issues each payment to Ms. Harwell, Labor Source shall certify contemporaneously to the Commission, at the email address below, that it made the payments.

REPORTING

12. For the duration of this Decree, Labor Source shall provide two reports to the Commission relating to the training conducted in paragraphs 5 and 6 as follows.

- a. Labor Source shall submit the first report within one year of entry of the Decree;
- b. Labor Source shall submit the second report within 23 months after entry of the Decree;
- c. The Reports will consist of:
 - i. the training materials;
 - ii. the identity of the trainer;
 - iii. the dates of the training;
 - iv. a roster of attendees;
 - v. copies of the exams;
 - vi. pass and failure scores of hiring officials;
 - vii. complaints of alleged pregnancy discrimination made to Labor Source; and
 - viii. Labor Source's response to the complaints of alleged pregnancy discrimination.

MONITORING AND ENFORCEMENT

13. The Commission may monitor Labor Source's compliance with this Decree by providing 14-days' notice by:

- a. examining documents or other records required to be made or kept by this Decree;
- b. interviewing employees and management at Labor Source concerning the

requirements of and compliance with this Decree as long as Labor Source's counsel is afforded a right to counsel with respect to interviews of its management/supervisory employees;

- c. inspecting Labor Source; and
- d. requiring Labor Source to submit written reports concerning its compliance.

14. If the Commission, at its sole discretion, finds Labor Source has failed to comply with the Decree, the Commission shall provide Labor Source notice of the failure through their attorney of record set out in paragraph twenty (20), and allow it a period of 15-business days from receipt of the notice to comply. If after the 15-business day period has expired, Labor Source has failed to comply, the Commission may then petition this Court for relief. The relief may include further permanent or temporary injunctions, monetary relief, costs, and/or penalties for contempt of court.

NOTIFICATION OF SUCCESSORS

15. For the duration of this Decree, prior to any sale, merger, or consolidation of the company, Labor Source shall provide written notice and a copy of this Decree to any successors, assigns, subsidiaries, affiliates, or any other corporation or entity that acquires, merges or consolidates. Any surviving entities that exist upon completion of the acquisition, merger or consolidation shall remain fully liable for compliance with this Decree.

16. Labor Source shall provide notice to the Commission 45 days prior to any assignment, succession, acquisition, merger, or consolidation.

COSTS AND EXPENSES

17. The Parties shall bear their own costs, attorney fees, and expenses arising from this litigation.

NOTICE POSTERS

18. Labor Source shall post, for the duration of this Decree, the Notice to Employees attached as Appendix A.

19. Labor Source shall post the Notice in a conspicuous location in any non-public area of Labor Source's facilities.

NOTICES AND OTHER COMMUNICATION

20. All notices, certifications, reports, or other communications that this Decree requires the parties to exchange shall be in writing and transmitted as follows:

- a. To the Commission, via electronic mail to:
EEOC-MEDO-decree-monitoring@eeoc.gov.
- b. To Labor Source via [electronic] mail to:
JBrady@huielaw.com

21. Any party may change the contact information by written notice to the other parties setting forth the new information.

MISCELLANEOUS PROVISIONS

22. This Decree becomes effective immediately upon entry by the Court and remains in effect for two (2) years.

23. If the Court finds any provision of this Decree unlawful, the Court will sever only such provision and the remainder of the Decree will remain in full force and effect.

IT IS SO ORDERED this 25th day of August, 2021.

/s/ Michael P. Mills
UNITED STATES DISTRICT JUDGE
NORTHERN DISTRICT OF MISSISSIPPI

APPROVED FOR ENTRY BY THE PARTIES:

Counsel for Plaintiff

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ATTACHMENT A

NOTICE

1. Labor Source posts this Notice pursuant to a Consent Decree entered by the U.S. District Court for the Northern District of Mississippi in EEOC v. Labor Source, L.L.C., Civil Action No. 3:21-CV-00187 MPM-RP (N.D. Miss.). Labor Source denies the allegation.
2. Federal law prohibits sex discrimination in the workplace. This includes, but is not limited to, failing to hire an individual because of their sex or pregnancy.
3. Labor Source SHALL NOT engage in any acts or practices made unlawful under Title VII of the Civil Rights of 1964, as amended.
4. Labor Source shall support and comply with such Federal law in all respects and shall not take any action against employees because they have exercised their rights under the law by filing charges with the Equal Employment Opportunity Commission and/or testifying, assisting, or participating in any manner in any investigation, proceeding, or hearing under Title VII of the Civil Rights of 1964, as amended.

If you believe you have been discriminated against in violation of federal law, you have the right to seek assistance from the Equal Employment Opportunity Commission by calling 1-800-669-4000 or visiting its website at www.eeoc.gov.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

This Notice must remain posted for two (2) years from the date of the entry of the Consent Decree set forth below and must not be altered, defaced or covered by any other material.

25 August, 2021

Consent Decree entered